8410721/2024/OP-I-AGC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agricultural Marketing Department – Andhra Pradesh State Warehousing Corporation – Financing for Development of Infrastructure facilities in Market Yards, Development of Rythu Bazars, Laying and Improving connectivity from farmgate to marketplaces and private markets in the State of AP – Financing by NABARD for Rs. 1003.94 Cr under Infrastructure Development Assistance (NIDA) Scheme – 0.5% Advisory Service Charges - Orders – Issued.

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AGRICULTURE AND COOPERATION (MKTG-I) DEPARTMENT

G.O.Rt.No.56. Dated:17.01.2024.

Read the following:

1. G.O.Ms.No.39, Agriculture & Cooperation (MKTG.II) Department, dated.26.05.2022.
2. Vice Chairman & Managing Director, A.P.State Warehousing Corporation Ltd, Vijayawada, Letter No.SWC/F&A/AMD - APMIDP/2285/2022, Dt:24.11.2023.
3. C&DoAM, A.P., Guntur, e-file No.AGC05-11/129/2023-STATUTORY SEC-MRKT, Dt:21.12.2023.

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ORDER:

In the reference 1st read above, Government have permitted the Andhra Pradesh State Warehousing Corporation (APSWC) to act as end-to-end transaction Advisor to Commissioner & Director of Agricultural Marketing, A.P., Guntur on mutually agreed terms and to approach the Finance Institutions/Scheduled Banks to raise a loan of approximately Rs.1600 Crores for the purpose of building the infrastructure facilities in Market Yards, primary processing facilities for farmers, improving connectivity from farm gate to Market Committees and Markets and also for the development of Rythu Bazars in the State. Alongside the aforementioned, the Government of A.P. has permitted Andhra Pradesh State Warehousing Corporation to use the services of A.P.Urban Infrastructure Asset Management Limited (APUIAML) to act as financial Advisor to prepare necessary DPR and to raise said loan of Rs.1600 Crore.

2. In the reference 2nd read above, the Vice Chairman & Managing Director, A.P.State Warehousing Corporation Ltd, Vijayawada has requested the Government for mutual agreement on payment of Advisory Service Charges of 2% on the Project Cost for assignment of the project as mentioned below:-

Sl. No.	Milestones	Fee (Rs. in lakhs) (excluding Taxes)
1	On entering into agreement On submission of Draft DPR, Draft Project	Rs.50.00
2	Information Memorandum and Draft Financial Model	Rs.50.00
3	On Receipt of In-principal sanction from the Banks	0.20% of the Project cost
4	Final Sanction	2% of the Project cost minus the Amounts paid as per Milestone 1,2 & 3
The fee shall be exclusive of all GST and all applicable taxes		

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3. Government after careful examination of the matter in detail, hereby accord permission to the Commissioner & Director of the Agricultural Marketing, A.P., Guntur for payment of Advisory Service Charges @ 0.5% to Andhra Pradesh State Warehousing Corporation on the project cost for providing end to end transaction advisory services to Commissioner & Director of Agricultural Marketing in relation to preparation of detailed Project Report, fund raising for Creation & building the infrastructure facilities in Market Yards, primary processing facilities for farmers, improving connectivity from farm gate to Market Committees and Markets and also for the development of Rythu Bazars in the State.

4. The Commissioner & Director of Agricultural Marketing, A.P., Guntur shall take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

CHIRANJIV CHOUDHARY
PRINCIPAL SECRETARY TO GOVERNMENT

To:
The Commissioner & Director of Agricultural Marketing, A.P, Guntur.
Copy to:
The Vice Chairman & Managing Director, Andhra Pradesh State Warehousing Corporation Ltd, Vijayawada.
SF/SC.

// FORWARDED:: BY ORDER //

SECTION OFFICER